NOTICE OF SPECIAL MEETING

Tuesday, October 23, 2018

6:00 p.m.

BOARD OF DIRECTORS OF SILVERCREST, INC.

Date: October 18, 2018

To: Adrian Jones, Chair
    Stacy Sablan, Vice Chair
    Caine Christensen, Director
    Mary Castro, Director

From: Preston Prince, Director

Subject: Notice of Special Board Meeting

NOTICE IS HEREBY GIVEN that a meeting of the Board of Directors of Silvercrest, Inc., will be held at 6:00 p.m. on Tuesday, October 23, 2018 at the Fresno Housing Authority Offices.

AGENDA

1. Call to Order/Approval of the Agenda 1
2. Consideration of the minutes of June 26, 2018 2
3. Consideration of Funding Commitment and Site Acquisition – NE Corner of Willow and Alluvial Avenues
4. Consideration of Contract Renewal - Novogradac
5. Adjournment

__________________________

Preston Prince, Director
Minutes of Special Meeting
Of the Board of Directors of

SILVERCREST, INC.

Tuesday, June 26, 2018
6:00 P.M.

There was a duly noticed special meeting of the Board of Directors of the Silvercrest, Inc. on Tuesday, June 26, 2018 at the offices of the Fresno Housing Authority, 1331 Fulton Street, Fresno, CA 93721.

1. The meeting was called to order by Director Jones at 8:38 p.m., and upon roll call, Directors/Officers present and absent were as follows:

   PRESENT: Adrian Jones, Chair
             Preston Prince, Secretary/Treasurer/Director
             Caine Christensen, Director
             Mary Castro, Director

   ABSENT: Stacy Sablan, Vice Chair

   Approval of Agenda

   Upon motion by Director Prince, seconded by Directors Castro, and with unanimous vote, the agenda was approved as posted.

   MOTION PASSED: 4-0

2. Approval of the minutes of May 29, 2018

   Upon motion by Directors Castro, seconded by Directors Christensen by and by unanimous vote, the May 29, 2018 minutes were approved.

3. Consideration of Accepting the 2017 Financial Results

   Upon motion by Directors Christensen, seconded by Directors Prince, and with unanimous vote, the approval of the following:

   Accepting the 2017 Financial Results

4. Consideration of Submission of Funding Application and Entity Formation – Mariposa Meadows
Upon motion by Directors Christensen, seconded Directors Castro, and with unanimous vote, the approval of the following:

Submission of Funding Application and Entity Formation – Mariposa Meadows

5. Consideration of Submission of Funding Application and Entity Formation – Orchard Apartments

Staff presented the Board with the amended memorandum and attachments to reflect the changes in the financial commitments.

Upon motion by Directors Castro, seconded by Directors Christensen, and by unanimous vote, the approval of the following:

Submission of Funding Application and Entity Formation – Orchard Apartments

6. Adjournment

There being no further business to be considered by the Board of Directors for Silvercrest, Inc., the meeting was adjourned at approximately 8:45p.m.

_____________________________________
Preston Prince, Secretary
To: The Board of Directors of Silvercrest, Inc.  Date: October 18, 2018  
Board Meeting: October 23, 2018

From: Preston Prince  
Secretary/Director  
Agenda Item: 3

Subject: Consideration to Acquire Property Located at Willow/Alluvial in Clovis, CA (APN 561-020-51S) and Approval to Accept HRFC Loan Commitment of Up To $1,650,000

BACKGROUND:

At the March 2018 Fresno Housing Authority (FH) Board meeting, the opportunity to obtain site control of the property listed for sale located near the NE corner of N. Willow and W. Alluvial Avenues in Clovis, CA (APN 561-020-51S) (the “Property”) was discussed. The Boards were supportive of conducting initial due diligence on the property and negotiating a Purchase and Sale Agreement (the “Agreement”) for the subject property contingent on Board approval. At the May 29, 2018 Silvercrest, Inc. Board meeting, the Board of Directors ratified the Agreement, which provided for a purchase price of $1,600,000 and a 180-day due diligence period. During the due diligence period, Silvercrest, Inc. would reserve the right to terminate the Agreement at its discretion. The due diligence period expires on November 3, 2018.

The Property is a 3.94 acre parcel of vacant land under the ownership of Willow Petroleum, LLC. The subject Property could represent the first FH development in the City of Clovis. The potential development aligns with the Boards strategic priorities for new construction and developing in neighborhoods of high opportunity. The land is currently zoned R-2 low density multiple family residential and remains vacant. The site is fully entitled to be developed with up to 60 multi-family residential units.

At this time, Staff is requesting approval from the Board of Directors of Silvercrest to complete the acquisition of the subject Property from Willow Petroleum, LLC and request a loan from the Housing Relinquished Fund Corporation (HRFC) of up to $1,650,000 to finance the acquisition, associated due diligence and escrow/title expenses.

RECOMMENDATION:

It is recommended that the Board of Directors for Silvercrest, Inc. adopt the attached resolution authorizing the acquisition of the Property (APN 561-020-51S) from Willow Petroleum, LLC and request a loan of up to $1,650,000 from the Housing Relinquished Fund Corporation to fund said acquisition and authorize Preston Prince, Secretary/Treasurer and/or his designee, to negotiate and execute all ancillary documents in connection with the approved actions.
BEFORE THE BOARD OF
SILVERCREST, INC.

RESOLUTION NO. ___

RESOLUTION AUTHORIZING ACQUISITION OF A PARCEL LOCATED AT THE
NORTHEAST QUADRANT OF N WILLOW AND W ALLUVIAL AVENUES, CLOVIS,
CA (APN 561-020-51S) BY SILVERCREST, INC. AND REQUEST A LOAN
COMMITMENT FROM THE HOUSING RELINQUISHED FUND CORPORATION OF
UP TO $1,650,000

At a duly constituted meeting of the Board of Directors of Silvercrest, Inc., a California nonprofit public benefit corporation (the “Corporation”) held on October 23, 2018, the following resolution is adopted:

WHEREAS, the goals of the Corporation include financing of the development and provision of affordable housing units within Fresno County boundaries; and

WHEREAS, the Corporation desires to support housing opportunities for low and moderate income households within a variety of neighborhoods; and

WHEREAS, Silvercrest, Inc., is a wholly controlled instrumentality of the Fresno Housing Authority; and

WHEREAS, Silvercrest is interested in working with Fresno Housing Authority to acquire a lot near the NE corner of N Willow Ave. and W Alluvial Ave, Clovis, CA, APN 561-020-51S, (the “Property”) consisting of approximately 4 acres of vacant land; and

WHEREAS, Silvercrest, Inc. (the “Buyer”) finalized a Purchase and Sale Agreement (the “Agreement”) with Willow Petroleum, LLC (the “Seller”) on May 7, 2018 to potentially acquire the Property; and

WHEREAS, the Agreement provided for, among other items, a purchase price of $1,600,000 and a 180-day due diligence period which ends November 3, 2018; and

WHEREAS, the acquisition of the site could constitute the first housing development by the Fresno Housing Authority in Clovis, CA; and

WHEREAS, a to be formed limited partnership (“LP”) is intended to be created for the purposes of developing and owning the potential Willow & Alluvial apartment complex; and

WHEREAS, the Fresno Housing Authority will be the administrative general partner and Silvercrest, Inc. will be the managing general partner of said LP; and

WHEREAS, Silvercrest desires to complete the acquisition of the subject Property and request a loan from the Housing Relinquished Fund Corporation in the amount of up to $1,650,000 to finance the acquisition, initial due diligence and associated closing costs; and
NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Corporation does hereby authorize the acquisition of the Property (APN 561-020-51S) from Willow Petroleum, LLC and request a loan commitment of up to $1,650,000 from the Housing Relinquished Fund Corporation to fund said acquisition and authorize Preston Prince, Secretary/Treasurer, and/or his respective designee to negotiate and execute all related documents to finalize the acquisition.

PASSED AND ADOPTED this 23rd day of October 2018.

AYES:
NAYS:
ABSTAIN:
ABSENT:
CERTIFICATE

I, the undersigned, the duly appointed Secretary of Silvercrest, Inc. (the “Corporation”), as keeper of the records of the Corporation, CERTIFY:

1. That the attached Resolution _______ (the “Resolution”) is a true and correct copy of the resolution of the Board of Directors of the Corporation, as adopted at a meeting of the Corporation held on the 23rd day of October 2018, and duly recorded in the minute books of the Corporation.

2. That such meeting was duly convened and held in all respects in accordance with law, and, to the extent required by law, due and proper notice of such meeting was given; that a quorum was present throughout the meeting and a majority of the members of the Board of Directors of the Corporation present at the meeting voted in the proper manner for the adoption of the Resolution; that all other requirements and proceedings incident to the proper adoption of the Resolution have been duly fulfilled, carried out and otherwise observed, and that I am authorized to execute this Certificate.

IN WITNESS WHEREOF, I have hereunto set my hand this 23rd day of October 2018.

SILVERCREST, INC.

________________________________________,

Preston Prince, Secretary
To: The Board of Directors of Silvercrest, Inc.  Date: October 18, 2018
Board Meeting: October 23, 2018
From: Preston Prince
Secretary/Director  Agenda Item: 4
Subject: Consideration of the Contract with Novogradac & Company LLP for Tax Credit CPA and Annual Audit Services

As the Managing General Partner of several limited partnership-owned housing developments, Silvercrest, Inc. has certain responsibilities for each of the Tax Credit Limited Partnership with which it is connected. One of those duties is to ensure that an annual audits and tax returns are completed every year for each of the limited partnership properties. At this time, Staff is requesting the Board of Director’s approve Novogradac & Company LLP, as the certified public accounting firm required to perform CPA and annual audit services for the limited partnerships listed below, as well as the financial audit and tax return filing for Silvercrest, Inc.

<table>
<thead>
<tr>
<th>Parc Grove Commons II, LP</th>
<th>Parc Grove Commons Veterans, LP</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fresno Pacific Gardens, LP</td>
<td>Fresno Renaissance at Trinity, LP</td>
</tr>
<tr>
<td>Renaissance at Alta Monte, LP</td>
<td>YEC Limited, LP</td>
</tr>
<tr>
<td>Renaissance at Santa Clara, LP</td>
<td>Kerman Acres, LP</td>
</tr>
<tr>
<td>Bridges at Florence, LP</td>
<td>Sanger Seniors, Limited (Elderberry)</td>
</tr>
<tr>
<td>Parc Grove Commons Northwest, LP</td>
<td>Firebaugh Gateway, LP</td>
</tr>
<tr>
<td>802 Van Ness Avenue, LP</td>
<td>Fresno Edison Apartments II, LP</td>
</tr>
<tr>
<td>Reedley Kings River Commons, LP</td>
<td>Fresno Edison Apartments I, LP</td>
</tr>
<tr>
<td>Mendota RAD, LP</td>
<td>Lowell Neighborhood Project, LP</td>
</tr>
<tr>
<td>Orange Cove RAD, LP</td>
<td>Magill Terrace, LP</td>
</tr>
<tr>
<td>Southeast Fresno RAD, LP</td>
<td>Fresno Villa del Mar, LP</td>
</tr>
<tr>
<td>Kingsburg Marion Villas, LP</td>
<td>EP Investors, LP</td>
</tr>
<tr>
<td>Viking Village Fresno RAD, LP</td>
<td>Parlier Oak Grove, LP</td>
</tr>
<tr>
<td>Fultonia West/Cedar Heights Scattered Site, LP</td>
<td>Shockley RAD, LP</td>
</tr>
<tr>
<td>Reedley Trailside RAD, LP</td>
<td>Sanger Memorial Village, LP</td>
</tr>
</tbody>
</table>

The cost of each audit and tax return for the limited partnerships will be different depending on the services required. The cost will range between $7,500 and $11,000 depending on complexity and the amount of time required for each audit and tax filing. Each audit will be paid for by the specific entity and will be included in the 2019 budgets. The total not to exceed amount for the entire contract is $216,250 for the audit year ending December 31, 2018.
RECOMMENDATION:
It is recommended that the Board of Directors of Silvercrest, Inc. approve the extension of the Novogradac & Company LLP as the certified public accounting firm required to perform CPA and annual audit services. This is the second contract extension and will be effective as of November 1st, 2018 for a term of one year, with the option to renew the contract for an additional two one-year periods.
BEFORE THE BOARD OF DIRECTORS OF SILVERCREST, INC.

Resolution Number:

RESOLUTION APPROVING THE CONTRACTS FOR TAX CREDIT CPA AND ANNUAL AUDIT SERVICES

WHEREAS, Silvercrest, Inc. has a duty to ensure that annual audits and tax returns are completed for each of the limited partnerships in which Silvercrest, Inc. acts as the Managing General Partner; and,

WHEREAS, Novogradac & Company LLP was a responsive and responsible firm who provided qualifications and prices that are the most advantageous to each partnership; and,

WHEREAS, the term of said contract will be one year from the date of contract execution, with an option to extend the contract term for two additional, one-year terms, for a possible total contract term of five years; and,

WHEREAS, Silvercrest has entered into a contract with Novogradac & Company LLP for an amount not to exceed $216,250 per year for a total not-to-exceed amount of $1,081,250; and,

WHEREAS, Silvercrest desires to exercise its option to extend the contract with Novogradac & Company LLP for tax credit CPA and annual audit services for one year, beginning November 13th, 2018, for an amount not to exceed $216,250; and,

NOW THEREFORE, BE IT RESOLVED that the Boards of Directors of the Silvercrest, Inc. approve the Novogradac & Company LLP as the certified public accounting firm required to perform CPA and annual audit services.

PASSED AND ADOPTED THIS 23rd day of October, 2018. I, the undersigned, hereby certify that the foregoing Resolution was duly adopted by the governing body with the following vote, to-wit:

AYES:      XX

NOES:      XX

ABSTAIN:   XX

ABSENT:    XX

_________________________________________________
Preston Prince, Secretary of the Boards of Directors